

STATEMENT OF GOVERNOR HALEY BARBOUR
ON MEDICAID AND BUDGET NEGOTIATIONS
June 22, 2009

Yesterday an "agreement in principle" on Medicaid issues was announced by Medicaid negotiators, but this so-called "solution" has a huge, fundamental flaw: It would give Medicaid a blank check and expose Mississippi taxpayers to the risk of a severe, illegal budget deficit.

More than 20 years ago the Legislature wisely recognized Medicaid spending could cause a large deficit in the state budget, which would violate both state law and the state constitution. Therefore, the Legislature authorized and later mandated that the governor make such reductions in Medicaid spending as necessary to balance the Medicaid budget. (See Miss. Code Ann. § 43-13-117).

At the demand of the Mississippi Hospital Association, the House of Representatives has insisted on gutting this very important law. The purpose of the law is to protect the taxpayers, but the proposal being offered to the Legislature and me by Medicaid negotiators puts the taxpayer at unconstitutional and unacceptable risk of runaway deficits in Medicaid. I appreciate the senators and Lieutenant Governor Phil Bryant who have resisted this proposal and continue to oppose it. I will fight the proposal with all my might.

Obviously, there is no reason to call a Special Session when such enormous Medicaid issues remain unresolved.

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